Lansing Economic Development Corporation

Friday, October 3, 2025 – 8:30 AM
Lansing EDC Office - 401 S. Washington Sq. Suite 101, Lansing, MI 48933

AGENDA

1) Call to Order/Rollcall
2) Approval of LEDC Board Meeting Minutes – Friday, September 12, 2025
3) Financial Update
4) Operations Update
   a. HR Recommendations
   b. Job Opening
5) 517 Coffee Co. Lansing EDC Micro Loan Request (ACTION)
6) Project and Program Updates
   a. SSRP Update
   b. LEED Initiative
      i. Upcoming Empower and SEED Academy Cohorts
      ii. Targeted Redevelopment Program Proposal
   c. Other Updates
7) Open Forum for LEDC Board Members
8) Other Business
9) Public Comment
10) Adjournment

Board of Directors Meeting

Friday, September 12, 2025 – 8:30 AM

Lansing EDC Office - 401 S. Washington Sq. Suite 101, Lansing, MI 48933

MINUTES

Members Present: Shelley Davis Boyd, Catherine Rathbun, Dr. Alane Laws-Barker, Jonathan Smith, Bryan Britten, Rawley Van Fossen

Members Absent: Dr. Cristina Benton, Calvin Jones, Chaz Carrillo

Staff Present: Kris Klein, Brian Swett, Alex Watkins, Aurelius Christian, Kimberly Lavon, Shay Manawar, Chelsea Dowler, Alex Watkins, Kahleea Washington

Guests: None

Call to Order

Chair Shelley Davis Boyd called the Lansing Economic Development Corporation meeting to order at 8:31 A.M.

Approval of LEDC Board Meeting Minutes – Friday, July 11, 2025 (ACTION)

MOTION: Member Britten moved to approve the LEDC meeting minutes from Friday, August 8, 2025, Board of Directors meeting, as presented. Motion seconded by Member Van Fossen.

YEAS: SIX (6); Unanimous; motion carried.

Financial Update

Swett offered updates on the Lansing EDC financials for July 2025, including the July 2025 draft report by Clark, Schaffer, Hackett and 3-year comparative Income Statements and Balance Sheets for July 2023 - 2025. Also noted is that the annual financial audit has been scheduled for December 1, 2025.

Operations Update

a. HR Recommendations

Klein informed the Board of progress on the HR recommendation and recent staff professional development opportunities.

b. Job Posting
Klein informed the Board of posting for a Director of Economic Development is ending September 12 and interviews are being scheduled with qualified applicants.

Michigan Talent Partnership Grant Application – REO Town Initiative (ACTION)
Klein presented the Michigan Talent Partnership Grant Application resolution for consideration by the Board. Rathbun suggested that LEDC work with other local organizations who have similar projects as LEDC.

MOTION: Member Van Fossen moved to approve the Michigan Talent Partnership Grant Application Resolution as presented. Member Rathbun supported the motion.

YEAS: FIVE (5)
NAYS: NONE (0)
ABSTENTIONS: ONE (1) Smith

5 YEAS, 0 NAYS, 1 ABSTENSTION, Motion Carried.

Project and Program Updates

a. SSRP / Plant 6 Agreements Update
Klein updated the Board on the status of the Development and Disbursement Agreements, as well as a recent mock site visit led by LEDC, NorthPoint Development, and other stakeholders as part of the MEDC MI Sites Program.
b. LEED Initiative
Washington and Christian informed the Board that there will be new cohorts for the LEED Empower Program and SEED Academy this fall. Staff presented a set of new promotional videos for LEED programming.
c. Corridor Improvement Authorities
Washington informed the Board on the progress of CIA projects. Member Rathbun inquired whether the CIAs get together to discuss their various projects. Washington responded that LEDC has recently begun facilitating meetings of Board Chairs. Van Fossen inquired whether they have considered combining efforts to save resources. Washington responded that they have not been able to do that yet but would be open to it if the opportunity presented itself.
d. Community Growth Academy
Dowler updated the Board on the progress of the Community Growth Academy.

Open Forum for LEDC Board Members

None

Other Business

None

Public Comment

None

Adjournment

Chair Shelley Davis Boyd called the Lansing Economic Development Corporation meeting to adjourn at 9:26 A.M.

Kris Klein, President & CEO
Lansing Economic Development Corporation (LEDC)

CLARK SCHAEFER HACKETT
BUSINESS ADVISORS

LANSING ECONOMIC DEVELOPMENT CORPORATION

Financial Statements

For the One Month and Two Months Ended August 31, 2025 and 2024

Lansing Economic Development Corporation
Statements of Financial Position

	Aug 31, 25	Aug 31, 24
ASSETS		
Current Assets		
Checking/Savings		
10000 · PNC - General Fund - 2612	74,700.00	75,000.00
10001 · PNC - COVID19 Rescue Fund -2583	104.30	104.30
10002 · PNC - Business Fund - 2575	77,475.00	75,000.00
10004 · PNC - Business Fund Sweep -2647	1,261,874.90	1,280,533.77
10005 · PNC - General Fund Sweep - 2639	913,977.92	821,871.12
10007 · PNC - Energy Eff Rev Sav - 0696	228,127.50	223,912.93
10008 · PNC - ARPA - 8494	0.00	34,801.35
10009 · PNC - ARPA Money Market - 8451	1,796,861.85	2,393,166.33
10010 · PNC - SSRP Money Market - 8634	865,985.48	0.00
Total Checking/Savings	5,219,106.95	4,904,389.80
Accounts Receivable		
11000 · Accounts Receivable	475,122.62	716,877.88
Total Accounts Receivable	475,122.62	716,877.88
Other Current Assets		
11113 · Receivable Brownfield Redevelop	604.18	0.00
11119 · Prepaid Insurance	5,106.07	4,974.41
11121 · Prepaid Health Insurance	1,419.74	3,206.77
11122 · Prepaid Expenses	3,702.56	3,305.05
11127 · RBM Properties-Cur Portion	32,703.19	31,110.80
11139 · The 517 Coffee Co-Current Port	2,619.90	6,093.14
11141 · Sweet Encounter Bakery -Current	3,940.23	3,829.31
11143 · Irie Smoke Shack LLC-Cur Por	6,503.72	14,187.91
11146 · Mossman, LLC - Cur Por	13,279.80	0.00
11148 · REO Town Clubhouse - Cur Port	9,178.41	0.00
Total Other Current Assets	79,057.80	66,707.39
Total Current Assets	5,773,287.37	5,687,975.07
Fixed Assets		
13010 · Office Furniture	72,849.74	72,849.74
13015 · Computer Equipment	8,715.08	5,112.14
13025 · Leasehold Improvements	33,595.97	37,821.50
13050 · Accumulated Depreciation	-33,110.03	-14,747.29
Total Fixed Assets	82,050.76	101,036.09
Other Assets		
15000 · Loans Receivable		
15126 · RBM Properties-Loan Rec	72,518.52	99,074.34
15127 · RBM Properties- Cur Portion	-32,703.19	-31,110.80
15149 · The 517 Coffee Co. - Loan Rec.	2,619.90	8,713.03
15150 · The 517 Coffee Co-Current Port	-2,619.90	-6,093.14
15154 · Sweet Encounter Bakery-Loan Rec	3,940.23	8,546.82
15155 · Sweet Encounter Bakery -Cur Por	-3,940.23	-3,829.31
15159 · Irie Smoke Shack, LLC-Loan Rec	6,503.72	14,187.91
15160 · Irie Smoke Shack, LLC-Curr Por	-6,503.72	-14,187.91
15163 · Mossman, LLC - Loan Rec.	46,871.07	0.00
15164 · Mossman, LLC - Curr Port	-13,279.80	0.00
15169 · REO Town Clubhouse - Loan Rec.	48,597.19	0.00
15170 · REO Town Clubhouse - Curr Port	-9,178.41	0.00
15190 · Allowance for credit losses	-15,650.00	-15,650.00
Total 15000 · Loans Receivable	97,175.38	59,650.94
17100 · Security Deposit	3,678.28	3,678.28
17300 · ROU Asset Net of Amortization	578,172.15	608,195.14
Total Other Assets	679,025.81	671,524.36
TOTAL ASSETS	**6,534,363.94**	**6,460,535.52**
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

Lansing Economic Development Corporation
Statements of Financial Position

	Aug 31, 25	Aug 31, 24
20000 · Accounts Payable	14,474.45	34,444.39
Total Accounts Payable	14,474.45	34,444.39
Credit Cards		
20104 · CC Payable-PNC-3118	1,385.58	1,662.13
Total Credit Cards	1,385.58	1,662.13
Other Current Liabilities		
20115 · Payable EGLE Allen Place Contra	210.80	0.00
20400 · Refundable Advance-ARPA	1,477,862.83	2,317,608.07
20410 · Ref Adv-SSRP Verlinden	813,379.04	0.00
21320 · Lease Obligation-Current	22,344.43	20,024.70
21500 · Bank Overdraft	8,481.64	0.00
24000 · Payroll Liabilities		
24005 · Accrued Vacation	40,671.57	31,240.24
24016 · Accrued & WH 401k	545.34	0.00
Total 24000 · Payroll Liabilities	41,216.91	31,240.24
Total Other Current Liabilities	2,363,495.65	2,368,873.01
Total Current Liabilities	2,379,355.68	2,404,979.53
Long Term Liabilities		
27300 · Building Rental Lease Liability		
27310 · Lease Obligation	601,999.26	622,023.97
27320 · Lease Obligation-Cur Portion	-22,344.43	-20,024.70
Total 27300 · Building Rental Lease Liability	579,654.83	601,999.27
Total Long Term Liabilities	579,654.83	601,999.27
Total Liabilities	2,959,010.51	3,006,978.80
Equity		
32000 · Without donor restrictions	3,220,307.07	3,058,531.63
32100 · With donor restrictions	208,079.56	208,079.56
Net Income	146,966.80	186,945.53
Total Equity	3,575,353.43	3,453,556.72
TOTAL LIABILITIES & EQUITY	**6,534,363.94**	**6,460,535.52**

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Lansing Economic Development Corporation
Statements of Activities

	Aug 25	Aug 24
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40088 · ARPA Contract City of Lansing		
40088.1 · ARPA - Grant Contract	28,749.54	15,491.23
Total 40088 · ARPA Contract City of Lansing	28,749.54	15,491.23
40096 · SSRP Verlinden Grant	610.00	0.00
Total 40000 · Contract Income	29,359.54	15,491.23
41000 · Loan Interest		
41099 · REO Town Clubhouse Interest	209.52	0.00
41091 · The 517 Coffee Company Interest	12.00	35.20
41093 · Sweet Encounter Bakery Cafe Int	10.68	22.01
41094 · Irie Smoke Shack-Interest	29.13	57.01
41095 · RBM Properties Interest	317.54	429.84
Total 41000 · Loan Interest	578.87	544.06
42000 · Investments		
42010 · Interest-Savings, Short-term CD	7,526.80	11,943.33
Total 42000 · Investments	7,526.80	11,943.33
Total Income	37,465.21	27,978.62
Gross Profit	37,465.21	27,978.62
Expense		
61000 · Contract Services		
61015 · Payroll Fees	451.00	304.70
61020 · Legal Fees	1,962.00	0.00
61030 · Outside Contract Services	2,536.45	1,862.34
Total 61000 · Contract Services	4,949.45	2,167.04
62000 · Facilities and Equipment		
62010 · Depreciation	1,591.32	1,601.70
62020 · Office Expense	69.12	222.31
62025 · Equipment	0.00	356.50
62050 · Rent	5,481.09	5,587.15
62055 · Software Subscriptions	2,149.58	973.51
62060 · Telephone/Communications	1,009.84	616.96
Total 62000 · Facilities and Equipment	10,300.95	9,358.13
63000 · Development		
63050 · Insurance & Bonds	1,067.74	1,374.93
63056 · Travel & Conferences & Training	3,114.68	0.00
63060 · Operating Expense	548.56	907.69
63080 · Bank Fees	472.79	77.00
63081 · Bank Fees-2575	0.00	25.00
Total 63000 · Development	5,203.77	2,384.62
65000 · Grant and Program Expenses		
65022 · PNC CFE Seminar Expenses	0.00	688.89
65088 · ARPA Grant		
65088.0 · Lansing Gateway CIA ARPA Funds	0.00	4,330.15
65088.1 · ARPA LEED Initiative	18,273.50	8,186.08
65088.7 · SSCIA CIA ARPA Funds	4,806.04	2,975.00
65088.9 · MLK CIA ARPA Funds	5,670.00	0.00
Total 65088 · ARPA Grant	28,749.54	15,491.23
65096 · SSRP Verlinden Grant Expense	610.00	5,499.00
Total 65000 · Grant and Program Expenses	29,359.54	21,679.12
66000 · Payroll & Empl Benefit Expenses		
66100 · Payroll Expenses		
66110 · Salaries - Staff	53,191.68	42,691.68

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	Aug 25	Aug 24
66120 · Taxes-FICA	4,069.14	3,265.94
Total 66100 · Payroll Expenses	57,260.82	45,957.62
66500 · Employee Benefits		
66510 · Health Insurance-Employees	5,136.14	1,675.79
66515 · Life/Disability Ins - Employees	736.01	511.49
66520 · Retirement Expense	2,629.00	2,189.00
66525 · Parking-Employees	684.00	538.54
66530 · Workers Comp Insurance	72.17	0.00
Total 66500 · Employee Benefits	9,257.32	4,914.82
Total 66000 · Payroll & Empl Benefit Expenses	66,518.14	50,872.44
Total Expense	116,331.85	86,461.35
Net Ordinary Income	-78,866.64	-58,482.73
Net Income	**-78,866.64**	**-58,482.73**

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	Jul - Aug 25	Jul - Aug 24
Ordinary Income/Expense		
Income		
40000 · Contract Income		
40020 · City of Lansing Contract	300,000.00	300,000.00
40088 · ARPA Contract City of Lansing		
40088.1 · ARPA - Grant Contract	68,749.54	30,491.23
Total 40088 · ARPA Contract City of Lansing	68,749.54	30,491.23
40096 · SSRP Verlinden Grant	1,285.34	0.00
Total 40000 · Contract Income	370,034.88	330,491.23
41000 · Loan Interest		
41099 · REO Town Clubhouse Interest	497.19	0.00
41091 · The 517 Coffee Company Interest	25.52	71.09
41093 · Sweet Encounter Bakery Cafe Int	22.70	45.58
41094 · Irie Smoke Shack-Interest	60.12	111.96
41095 · RBM Properties Interest	970.77	854.65
Total 41000 · Loan Interest	1,576.30	1,083.28
42000 · Investments		
42010 · Interest-Savings, Short-term CD	15,538.72	25,199.90
Total 42000 · Investments	15,538.72	25,199.90
43000 · Other Types of Income		
43010 · Miscellaneous Revenue	1,960.00	0.00
43037 · Application Fees	0.00	5,000.00
Total 43000 · Other Types of Income	1,960.00	5,000.00
Total Income	389,109.90	361,774.41
Gross Profit	389,109.90	361,774.41
Expense		
61000 · Contract Services		
61010 · Accounting Fees	0.00	2,950.00
61015 · Payroll Fees	1,163.23	603.60
61020 · Legal Fees	1,962.00	0.00
61030 · Outside Contract Services	3,161.45	4,171.62
Total 61000 · Contract Services	6,286.68	7,725.22
62000 · Facilities and Equipment		
62010 · Depreciation	3,182.64	3,203.40
62020 · Office Expense	138.12	1,145.04
62025 · Equipment	0.00	1,266.02
62045 · Utilities	0.00	470.81
62050 · Rent	10,964.67	11,154.30
62055 · Software Subscriptions	7,960.53	1,947.02
62060 · Telephone/Communications	2,072.89	869.90
Total 62000 · Facilities and Equipment	24,318.85	20,056.49
63000 · Development		
63050 · Insurance & Bonds	2,135.48	2,749.86
63056 · Travel & Conferences & Training	4,230.48	2,666.73
63060 · Operating Expense	983.27	1,799.41
63080 · Bank Fees	983.77	154.00
63081 · Bank Fees-2575	0.00	50.00
Total 63000 · Development	8,333.00	7,420.00
65000 · Grant and Program Expenses		
65022 · PNC CFE Seminar Expenses	0.00	688.89
65088 · ARPA Grant		
65088.0 · Lansing Gateway CIA ARPA Funds	0.00	4,330.15
65088.1 · ARPA LEED Initiative	58,273.50	23,186.08
65088.7 · SSCIA CIA ARPA Funds	4,806.04	2,975.00
65088.9 · MLK CIA ARPA Funds	5,670.00	0.00

	Jul - Aug 25	Jul - Aug 24
Total 65088 · ARPA Grant	68,749.54	30,491.23
65096 · SSRP Verlinden Grant Expense	1,285.34	5,499.00
Total 65000 · Grant and Program Expenses	70,034.88	36,679.12
66000 · Payroll & Empl Benefit Expenses		
66100 · Payroll Expenses		
66110 · Salaries - Staff	106,383.36	85,383.36
66120 · Taxes-FICA	8,138.28	6,531.88
66125 · Taxes-unemployment	55.33	0.00
Total 66100 · Payroll Expenses	114,576.97	91,915.24
66500 · Employee Benefits		
66510 · Health Insurance-Employees	10,359.36	5,241.78
66515 · Life/Disability Ins - Employees	1,472.02	1,077.32
66520 · Retirement Expense	5,258.00	4,378.00
66525 · Parking-Employees	1,359.00	1,082.18
66530 · Workers Comp Insurance	144.34	0.00
Total 66500 · Employee Benefits	18,592.72	11,779.28
Total 66000 · Payroll & Empl Benefit Expenses	133,169.69	103,694.52
67000 · Credit Loss Expense	0.00	-746.47
Total Expense	242,143.10	174,828.88
Net Ordinary Income	146,966.80	186,945.53
Net Income	**146,966.80**	**186,945.53**

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SUPPLEMENTARY INFORMATION

Lansing Economic Development Corporation
Statement of Activities - Actual vs. Budget

	Jul - Aug 25	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
40000 · Contract Income				
40010 · Brownfield	0.00	405,218.00	-405,218.00	0.0%
40020 · City of Lansing Contract	300,000.00	325,000.00	-25,000.00	92.3%
40040 · Annual Issuer's Fees	0.00	48,061.00	-48,061.00	0.0%
40050 · TIFA Admin	0.00	350,650.00	-350,650.00	0.0%
40070 · Fund Balance	0.00	34,481.00	-34,481.00	0.0%
40080 · Facade Grant Contract	0.00	225,000.00	-225,000.00	0.0%
40088 · ARPA Contract City of Lansing				
40088.1 · ARPA - Grant Contract	68,749.54	0.00	68,749.54	100.0%
Total 40088 · ARPA Contract City of Lansing	68,749.54	0.00	68,749.54	100.0%
40096 · SSRP Verlinden Grant	1,285.34	0.00	1,285.34	100.0%
Total 40000 · Contract Income	370,034.88	1,388,410.00	-1,018,375.12	26.7%
41000 · Loan Interest				
41099 · REO Town Clubhouse Interest	497.19	0.00	497.19	100.0%
41091 · The 517 Coffee Company Interest	25.52	0.00	25.52	100.0%
41093 · Sweet Encounter Bakery Cafe Int	22.70	0.00	22.70	100.0%
41094 · Irie Smoke Shack-Interest	60.12	0.00	60.12	100.0%
41095 · RBM Properties Interest	970.77	0.00	970.77	100.0%
41000 · Loan Interest - Other	0.00	5,544.00	-5,544.00	0.0%
Total 41000 · Loan Interest	1,576.30	5,544.00	-3,967.70	28.4%
42000 · Investments				
42010 · Interest-Savings, Short-term CD	15,538.72	62,000.00	-46,461.28	25.1%
Total 42000 · Investments	15,538.72	62,000.00	-46,461.28	25.1%
43000 · Other Types of Income				
43010 · Miscellaneous Revenue	1,960.00	1,000.00	960.00	196.0%
43037 · Application Fees	0.00	30,000.00	-30,000.00	0.0%
Total 43000 · Other Types of Income	1,960.00	31,000.00	-29,040.00	6.3%
Total Income	389,109.90	1,486,954.00	-1,097,844.10	26.2%
Gross Profit	389,109.90	1,486,954.00	-1,097,844.10	26.2%
Expense				
61000 · Contract Services				
61015 · Payroll Fees	1,163.23	0.00	1,163.23	100.0%
61020 · Legal Fees	1,962.00	0.00	1,962.00	100.0%
61030 · Outside Contract Services	3,161.45	0.00	3,161.45	100.0%
61000 · Contract Services - Other	0.00	122,270.00	-122,270.00	0.0%
Total 61000 · Contract Services	6,286.68	122,270.00	-115,983.32	5.1%
62000 · Facilities and Equipment				
62010 · Depreciation	3,182.64	23,000.00	-19,817.36	13.8%
62020 · Office Expense	138.12	10,000.00	-9,861.88	1.4%
62025 · Equipment	0.00	15,000.00	-15,000.00	0.0%
62045 · Utilities	0.00	12,000.00	-12,000.00	0.0%
62050 · Rent	10,964.67	57,000.00	-46,035.33	19.2%
62055 · Software Subscriptions	7,960.53	18,000.00	-10,039.47	44.2%
62060 · Telephone/Communications	2,072.89	0.00	2,072.89	100.0%
Total 62000 · Facilities and Equipment	24,318.85	135,000.00	-110,681.15	18.0%
63000 · Development				
63050 · Insurance & Bonds	2,135.48	24,000.00	-21,864.52	8.9%
63055 · Marketing & Promotions	0.00	30,000.00	-30,000.00	0.0%
63056 · Travel & Conferences & Training	4,230.48	36,000.00	-31,769.52	11.8%
63060 · Operating Expense	983.27	14,000.00	-13,016.73	7.0%
63080 · Bank Fees	983.77	6,000.00	-5,016.23	16.4%
Total 63000 · Development	8,333.00	110,000.00	-101,667.00	7.6%
65000 · Grant and Program Expenses				

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Lansing Economic Development Corporation
Statement of Activities - Actual vs. Budget

	Jul - Aug 25	Budget	$ Over Budget	% of Budget
65020 · Facade Grants	0.00	225,000.00	-225,000.00	0.0%
65088 · ARPA Grant				
65088.1 · ARPA LEED Initiative	58,273.50	0.00	58,273.50	100.0%
65088.7 · SSCIA CIA ARPA Funds	4,806.04	0.00	4,806.04	100.0%
65088.9 · MLK CIA ARPA Funds	5,670.00	0.00	5,670.00	100.0%
Total 65088 · ARPA Grant	68,749.54	0.00	68,749.54	100.0%
65096 · SSRP Verlinden Grant Expense	1,285.34	0.00	1,285.34	100.0%
Total 65000 · Grant and Program Expenses	70,034.88	225,000.00	-154,965.12	31.1%
66000 · Payroll & Empl Benefit Expenses				
66100 · Payroll Expenses				
66110 · Salaries - Staff	106,383.36	0.00	106,383.36	100.0%
66120 · Taxes-FICA	8,138.28	0.00	8,138.28	100.0%
66125 · Taxes-unemployment	55.33	0.00	55.33	100.0%
Total 66100 · Payroll Expenses	114,576.97	0.00	114,576.97	100.0%
66500 · Employee Benefits				
66510 · Health Insurance-Employees	10,359.36	0.00	10,359.36	100.0%
66515 · Life/Disability Ins - Employees	1,472.02	0.00	1,472.02	100.0%
66520 · Retirement Expense	5,258.00	0.00	5,258.00	100.0%
66525 · Parking-Employees	1,359.00	0.00	1,359.00	100.0%
66530 · Workers Comp Insurance	144.34	0.00	144.34	100.0%
66500 · Employee Benefits - Other	0.00	107,960.00	-107,960.00	0.0%
Total 66500 · Employee Benefits	18,592.72	107,960.00	-89,367.28	17.2%
66000 · Payroll & Empl Benefit Expenses - Other	0.00	821,920.00	-821,920.00	0.0%
Total 66000 · Payroll & Empl Benefit Expenses	133,169.69	929,880.00	-796,710.31	14.3%
Total Expense	242,143.10	1,522,150.00	-1,280,006.90	15.9%
Net Ordinary Income	146,966.80	-35,196.00	182,162.80	-417.6%
Net Income	**146,966.80**	**-35,196.00**	**182,162.80**	**-417.6%**

No assurance is provided on these financial statements or supplementary information. The financial statements omit substantially all disclosures and the statement of cash flows, revenue and expenses related to certain contracts are recognized when received and paid, all of which are not in accordance with accounting principles generally accepted in the United States of America.

Lansing Economic Development Corporation

Lansing Economic Development Corporation
Lansing Brownfield Redevelopment Authority
Tax Increment Finance Authority
401 S. Washington Sq. Ste. 101, Lansing, MI 48933

MEMORANDUM

DATE: September, 29th, 2025

TO: Lansing EDC Board

FROM: Alex Watkins, on behalf of the Lansing EDC Micro--Loan Committee

SUBJECT: Micro-Loan Program Request for 517 Coffee Company

The Lansing Economic Development Corporation (LEDC) has received a micro-loan financing request through its Business Financing Assistance Program (BFAP) from 517 Coffee Company. The $30,000 request is for debt consolidation of high interest loans.

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517 coffee company is a local coffee shop Located on South Martin Luther King junior Blvd. and is the only locally owned coffee shop on that corridor. 517 Coffee Company specializes in the roasting process which allows them to generate revenue not only from their coffee shop but also from doing specialized roles for other local coffee shops. 517 Coffee Company currently has a micro loan with the Lansing economic Development Corporation that has been refinanced once and has a balance right around $6000. The proposed use of these new funds would be to pay off the current loan with the Lansing EDC pay off debt that is owed to square and to pay off a credit card debt, the last two having interest rates above 20%. 517 Coffee Company has paid on time on their current loan and has been a faithful loan client of Lansing EDC and has been in good standing since we first began working with them five years ago. The Borrower's request is an extension to their existing $25,000 LEDC micro-loan approved January of 2021. The original loan amount has been paid down to a balance of approximately $2,100 and the request is to reestablish a new loan amount but with the original term, resulting in new loan proceeds of approximately $27,900 to assist with the high interest debt. Although there was a request for additional $20,000, Lansing EDC, through its financial analysis, thought that this time granting them $30,000 to free up additional funds could generate around 3000 per month for the business. Some of the additional funds were going to be used to purchase coffee as the price of coffee has gone up and to look at relocating to a second location. The Lansing in DC does plan to assist them with these endeavors but at this time we're allowed to see a little bit more progress and are willing to do a conditional loan once 517 coffee is prepared to move to a new location. Once again, this loan would give them an opportunity to refinance their debt, increase their cash flow and allow them to reinvest into their business and eventually move to a bigger and better location.

The requested loan terms are as follows:

Amount: $30,000 (approximately $27,900 in new proceeds)
Term: 60 months (60-month amortization/ maturity)
Interest Rate: 6.25% Fixed
Debt Service: Monthly, During repayment period (Est $583.48)
Fees: $300 loan fee
Security: Personal Guaranty from owner James and Amanda Defrees

After discussing the project, loan application, and business' financials the Loan Committee recommends approval of the loan application by the LEDC Board of Directors at the Friday, October 3rd, 2025, meeting.

Appended is an executive summary of the project and the loan terms recommended by the Loan Committee. The loan committee vote for this loan is represented as below:

Committee Vote: 3 Yes, 0 No, 1 Absent

517 Coffee Company
LEDC Micro Loan Term Sheet

Project: Pay-off high interest debt and consolidate debt into one loan
Location: Entity Address: 910 W Barnes Ave. Lansing, MI 48910
Project Property: 6030 S. Martin Luther King JR Blvd. Lansing, MI 48911

Applicant: James and Amanda Defrees
Program: Lansing Economic Development Corporation Business Financing Assistance Program

Background Information: 517 coffee company is a local coffee shop Located on South Martin Luther King junior Blvd. and is the only locally owned coffee shop on that corridor. 517 Coffee Company specializes in the roasting process which allows them to generate revenue not only from their coffee shop but also from doing specialized roles for other local coffee shops. 517 Coffee Company currently has a micro loan with the Lansing economic Development Corporation that has been refinanced once and has a balance right around $6000.

Project Description: The proposed use of these new funds would be to pay off the current loan with the Lansing EDC pay off debt that is owed to square and to pay off a credit card debt, the last two having interest rates above 20%. 517 Coffee Company has paid on time on their current loan and has been a faithful loan client of Lansing EDC and has been in good standing since we first began working with them five years ago. The Borrower's request is an extension to their existing $25,000 LEDC micro-loan approved January of 2021. The original loan amount has been paid down to a balance of approximately $2,100 and the request is to reestablish a new loan amount but with the original term, resulting in new loan proceeds of approximately $27,900 to assist with the high interest debt. Although there was a request for additional $20,000, Lansing EDC, through its financial analysis, thought that this time granting them $30,000 to free up additional funds could generate around $3000 per month for the business.

Level of Investment: Some of the additional funds were going to be used to purchase coffee as the price of coffee has gone up and to look at relocating to a second location. The Lansing in DC does plan to assist them with these endeavors but at this time we're allowed to see a little bit more progress and are willing to do a conditional loan once 517 coffee is prepared to move to a new location. Once again, this loan would give them an opportunity to refinance their debt, increase their cash flow and allow them to reinvest into their business and eventually move to a bigger and better location

Terms of the Loan:

Term:	5 years (60 - months)
Loan Amount:	$30,000 (approximately $27,900 in new proceeds)
Interest Rate:	6.25% fixed (1 percent below current prime rate of 7.25%)
Payments:	Monthly • 60 Principle & Interest payments: $583.48/month (est.)
Fees (due at closing):	$300.00 Loan Application Fee - Paid to Lender Attorney/Document Fees (TBD)

Security:	Personal guaranty from James and Amanda Defrees
Collateral:	None
Additional Terms:	Approval of Other Project Financing